GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1869
ANSWERED ON:24.08.2007
ASSISTANCE TO FARMERS
Oram Shri Jual

Will the Minister of FINANCE be pleased to state:

(a) whether i:he Cooperative Banks have failed to achieve their primary objectives of assisting farmers in promoting farming and allied activities;

(b) if so, the reasons therefore; and

(c) the steps taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) to (c) : No, Sir. The agricultural credit flow by Cooperative Banks has increased substantially during the last four years as may be observed from the data furnished below :-

(Rs in crores)

Year	Amount disbursed
2003-04	26,875
2004-05	31,231
2005-06	39,404
2006-07	42,480#

provisional

However, to strengthen the rural cooperative credit institutions, the Government of India is implementing a revival package for short term cooperative credit structure. The States willing t3 implement the package are required to sign a Memorandum of Understanding (MoU) with Central Government and NABARD for carrying out certain legal and institu`ional reforms.

18 States and one Union Territory have so far conveyed their consent to implement the package. The revival package includes a financial outlay estimated at Rs. 13,596 crore to be shared by Central Government, State Governments and the Short Term Cooperative Credit Structure in the ratio of 68:28:4 respectively for the country as a whole. Central Government has already released Rs.1425 crore for implementation of the package to NABARD.